

JUL 21 1955

MEMORANDUM FOR: The Director of Central Intelligence

SUBJECT: Appendix I, Parts 1 and 2 of the Hoover
(General Mark Clark) Report

1. Upon release of subject report, you received, under date of 13 June 1955, a copy from Governor Adams, Special Assistant to the President, with the following comments:

"The President has received the classified report of the Hoover Commission Task Force on Intelligence Activities, and has asked me to transmit to you, for consideration by the USCIB and the USCSB, the attached copy of Appendix I thereof.

"The President would like to have a careful review made of the attached Appendix from the standpoint of these two agencies, and to receive the coordinated views of the interested departments with respect thereto within sixty days. These views should include specific comment on each of the recommendations relating to the USCIB and the USCSB, and should indicate those recommendations which it is considered can and should be adopted (indicating them in effect); the statement should also indicate any recommendations not considered appropriate for adoption, together with supporting reasons and comments."

2. Under date of 11 July 1955, the Acting Executive Secretary USCSB, forwarded to the members of the USCSB, a copy of those portions of Appendix I, Parts 1 and 2 of the report which were agreed by the Chairman USCSB, to be of primary USCSB interest and thereby subject to Board comment and recommendation.

3. The Acting Executive Secretary, USCSB on 19 July, made a verbal request to me as the CIA member of the USCSB, that CIA comments with respect to the portions of the report referred to in paragraph 1 above, be

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furnished him not later than 22 July for circulation to the members of the USCSB. The Chairman of the USCSB has called a meeting of the Board for 1000 hours, 29 July, at which time the matter will be considered.

4. Those portions of Appendix I of the Clark Report follow with my comments and/or recommendations pertaining to each. My comments and recommendations have been coordinated with and have received this date, the verbal concurrence of the concerned offices of CIA (OCI and Staff D, DDP):

Appendix I, Part 1

Recommendation #4

1. THAT THE MILITARY SERVICES AND NSA CONTINUE TO STRIVE FOR A HIGHER DEGREE OF CRYPTOGRAPHIC SECURITY.

2. THAT THE PROBLEM OF COMMUNICATIONS SECURITY INCLUDING PLAIN TEXT MESSAGES AND TRAFFIC ANALYSIS OF ENCRYPTED MESSAGES, BE RESTUDIED BY USCSB (OR THE COMBINED BOARD AS RECOMMENDED IN THIS REPORT) WITH A VIEW TOWARD REDUCING TO THE LOWEST PRACTICABLE LEVEL THE QUANTITY OF INFORMATION RELEASED THROUGH TELECOMMUNICATIONS.

3. THAT NSC 168 BE REEXAMINED TO ASCERTAIN IF THE DIRECTOR, NSA, HAS SUFFICIENT AUTHORITY TO CARRY OUT HIS COMSEC RESPONSIBILITIES.

CIA Comments and Recommendations

1. There is no question concerning this aspect of the recommendation. Since the development of cryptographic equipment is primarily the responsibility of NSA, recommendations to increase their capabilities in this field should be made by them.

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2. USCSB should be responsible for the study, A subcommittee should be established under USCSB to conduct the study, within the limitations of NSC 168, and to make the necessary recommendations. The recommendations should include a statement of policy, which can be later issued as a USCSB or NSC directive: (1) establishing the authority to prescribe minimum standards for the development of communications procedures which will provide and maintain transmission security, and (2) requiring the various departments and agencies of the Government to submit periodic reports to USCSB which will indicate that they have examined their communications security systems, procedures and practices and have determined that they are operating in conformance with the prescribed minimum standards.

3. The above subcommittee should also be charged with the responsibility for reexamining NSC 168.

Recommendation #5

1. THAT A SINGLE BOARD WITH APPROPRIATE SUBCOMMITTEES HAVE POLICY COGNIZANCE OVER COMMUNICATIONS INTELLIGENCE AND COMMUNICATIONS SECURITY. IF THE RECOMMENDATION TO PLACE THE EVALUATION AND ANALYSIS OF ELINT UNDER NSA IS ADOPTED, THEN POLICY GUIDANCE FOR ELINT AS WELL AS COMINT AND COMSEC SHOULD BE EXERCISED BY THE PROPOSED SINGLE BOARD.

CIA Comments and Recommendations.

1. It is believed that it is inadvisable at this time to establish a single board as recommended. Although many of the matters which are of interest to USCSB are also of interest to USCIB, the primary functions and responsibilities of these two boards are sufficiently divergent to justify their separate existence.

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Appendix I, Part 2

Recommendation #8

THAT THE PRESENT BASIC COMMUNICATIONS (CRYPTOGRAPHIC) SECURITY PLAN, PROVIDING FOR CENTRALIZED CONTROL WITH EFFECTIVE DECENTRALIZATION OF OPERATIONS, BE CONTINUED; THAT EACH AGENCY AND SERVICE MAINTAIN EFFECTIVE INSPECTION AND VIGOROUS TRAINING PROGRAMS TO REDUCE TO THE MINIMUM CRYPTOGRAPHIC OPERATIONAL SECURITY VIOLATIONS.

CIA Comments and Recommendations.

Concur

Recommendation #9

THAT NSC DETERMINE WAYS AND MEANS TO CONTROL MORE EFFECTIVELY RELEASE OF VALUABLE INTELLIGENCE TO POTENTIAL ENEMIES VIA CLEAR TEXT MESSAGES BEING TRANSMITTED OVER GOVERNMENT AND CIVIL COMMUNICATION NETWORKS.

CIA Comments and Recommendations.

The responsibility to provide additional controls on the use of clear text messages should be assigned to the USCSB and not to the NSC as this is a responsibility clearly within the charter of the USCSB.

5. If you approve, I will furnish the above comments and recommendations to the Acting Executive Secretary of the USCSB and will present them at the meeting of the USCSB on 29 July 1955 as the CIA position.

Approved: _____

Disapproved: _____

Allen W. Dulles
Director



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